BOB F. ANDERSON, PE, INC.

PETROLEUM ENGINEERS & CONSULTANTS
TELEPHONE (318) 425-4230
FACSIMILE (318) 222-1054
email: bfandpe@aol.com

May 25, 2004

Honorable James H. Welsh, Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Proposed Additional Unit and Unit Well Thatcher Sand, Reservoir A Proposed THATCHER RA SUD Lisbon Field Claiborne Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of CYPRESS OPERATING, INC., (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Thatcher Sand, Reservoir A, Lisbon Field, Claiborne Parish, Louisiana:

- 1. To establish one (1) additional 320 +/- acre drilling and production unit for the exploration for and the production of gas and condensate for the Thatcher Sand, Reservoir A, Lisbon Field, Claiborne Parish, Louisiana, such unit being designated THATCHER RA SUD, shown on the attached plat and being made a part hereof.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property property within each of the proposed units in accordance with Section 18, Title 30, of the Louisiana Revised Statutes of 1950, with each tract to share in the unit production on a surface acreage bases of participation.
- 3. To designate Cypress Operating, Inc., as the unit operator for the proposed THATCHER RA SUD and their Hunt No. 1 Well as the unit well, in exception to the spacing provisions of the 9-X Series of Office of Conservation Orders, such well being shown on the attached plat.
- 4. To extend the provisions of the 9-X Series of Office of Conservation Orders and other applicable statewide orders to the Thatcher Sand, Reservoir A, unit being proposed herein, except as they may be in conflict herewith.

5. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

The Thatcher Sand, Reservoir A, in the Lisbon Field, Claiborne Parish, Louisiana, was fully defined in Office of Conservation Order No. 9-X, effective January 18, 1979.

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318-425-4230 during posterious hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained at the expense of the requesting party.

A pre-application notice was sent to all parties stating a time and date for a conference to discuss the application and any objections thereto, however no request for a conference was received, therefore no conference was held.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of this intended application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list. Upon receipt of the legal notice, it will be published in a Newspaper with circulation in the area of the field, will be posted in a prominent place and will be mailed to all parties.

Attached is our check, made payable to the Office of Conservation, to cover the applicable hearing fee.

Yours truly,

B. F. Anderson, PE for

CYPRESS OPERATING, INC.

MARKET IN

50 February 3000 100 50 1900

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation (w/encl.) Interested Owners, Represented Parties and Interested Parties (w/plat) Mr. Scott Morgan, Cypress Operating, Inc. (w/encl.)

